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9 Attorney for Defendant
10 GERALD ARMSTRONG

FILED

AUG 11 1994

HOWARD HANSON
MARIN COUNTY CLERK
By J. Steele, Deputy

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
not-for-profit religious)
corporation;)

No. 157 680

Plaintiffs,

vs.

**THIRD AMENDED
VERIFIED CROSS-COMPLAINT
FOR ABUSE OF PROCESS**

GERALD ARMSTRONG; MICHAEL
WALTON; et al,

Defendants.

RECEIVED

AUG 11 1994

HUB LAW OFFICES

GERALD ARMSTRONG,

Cross-Complainant,

-vs-

CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
Corporation; DAVID MISCAVIGE;)
DOES 1 to 100;)

Trial Date: 9/29/94

Cross-Defendant.

1 Cross-Complainant GERALD ARMSTRONG alleges as follows:

2 PARTIES

3 1. Cross-Complainant GERALD ARMSTRONG, hereinafter,
4 "ARMSTRONG," is a resident of Marin County, California.

5 2. Cross-Defendant CHURCH OF SCIENTOLOGY
6 INTERNATIONAL, hereinafter "CSI" or is a corporation organized and
7 existing under the laws of the State of California, having
8 principal offices and places of business in California and doing
9 business within the State of California within the territorial
10 jurisdiction of this Court.

11 3. Cross-Defendant DAVID MISCAVIGE, hereinafter
12 "MISCAVIGE," is an individual domiciled in the State of
13 California.

14 4. At all times herein mentioned, each Cross-Defendant
15 was the agent, employee or coconspirator of each of the remaining
16 Cross-Defendants, and in doing the things herein mentioned, each
17 Cross-Defendant was acting within the course and scope of its
18 employment and authority as such agent and/or representative
19 and/or employee and/or coconspirator, and with the consent of the
20 remaining Cross-Defendants.

21 5. CSI is subject to a unity of control, and the its
22 corporate structure was created as an attempt to avoid payment of
23 taxes and civil judgments and to confuse courts and those seeking
24 redress for these Cross-Defendants' acts. Due to the unity of
25 personnel, commingling of assets, and commonality of business
26 objectives, these Cross-Defendants' attempts at separation of
27 these corporations should be disregarded.

28 6. The designation of CSI as a "church" or religious

1 entity is a sham contrived to exploit the protection of the First
2 Amendment of the United States Constitution and to justify their
3 criminal, and tortious acts against ARMSTRONG and others. Cross-
4 Defendant corporation is part of an international, money-making,
5 criminally motivated enterprise which subjugates and exploits its
6 employees and customers with coercive psychological techniques,
7 threat of violence and blackmail. CSI and other Scientology
8 corporate entities act as one organization.

9 7. David Miscavige controls and operates Scientology
10 and uses it to enforce his orders and carry out his attacks on
11 groups, agencies or individuals, including the acts against
12 ARMSTRONG alleged herein to the extent there is no separate
13 identity between Miscavige and CSI and any claim of such separate
14 identity should be disregarded.

15 8. Cross-Defendants DOES 1 through 100, inclusive, are
16 sued herein under such fictitious names for the reason that the
17 true names and capacities of said Cross-Defendants are unknown to
18 ARMSTRONG at this time; that when the true names and capacities of
19 said Cross-Defendants are ascertained ARMSTRONG will ask leave of
20 Court to amend this Cross-Complaint to insert the true names and
21 capacities of said fictitiously named Cross-Defendants, together
22 with any additional allegations that may be necessary in regard
23 thereto; that each of said fictitiously named Cross-Defendants
24 claim that ARMSTRONG has a legal obligation to Cross-Defendants by
25 virtue of the facts set forth below; that each of said
26 fictitiously named Cross-Defendants is in some manner legally
27 responsible for the acts and occurrences hereinafter alleged.

28 9. Cross-defendants, and each of them, have abused the

1 process of this court in a wrongful manner, not proper in the
2 regular conduct of proceedings, to accomplish purposes for which
3 said proceedings were not designed, specifically obstruction of
4 justice, suppression of evidence, assassination of Armstrong's
5 reputation, retaliation against him for exercising his rights,
6 gathering intelligence on its enemies, and making an example of
7 Armstrong so that knowledgeable witnesses who had been betrayed in
8 the settlement with the organization would continue to be scared
9 into silence.

10 10. Cross-defendants, and each of them, acted in this
11 litigation with an ulterior motive to obstruct justice, suppress
12 evidence, assassinate Armstrong's reputation, retaliate against
13 him for exercising his rights, use the discovery process for
14 gathering intelligence on its enemies, and to make an example of
15 Armstrong so that knowledgeable witnesses who had been betrayed in
16 the settlement with the organization would continue to be scared
17 into silence.

18 11. Defendants, and each of them, have abused the process of
19 this court in a wrongful manner, not proper in the regular conduct
20 of the proceedings in Armstrong IV and in other litigation, to
21 accomplish a purpose for which said proceedings were not designed,
22 specifically, the suppression of evidence, the obstruction of
23 justice, the assassination of cross-complainant's reputation, and
24 retaliation against said cross-complainant for prevailing at trial
25 in Armstrong I, and for continuing to publicly speak out on the
26 subject of Scientology, all so as to be able to attack cross-
27 complainant and prevent cross-complainant from being able to take
28 any effective action to protect himself.

1 12. Defendants, and each of them, acted with an ulterior
2 motive to suppress evidence, obstruct justice, assassinate cross-
3 complainant's reputation, suppress ARMSTRONG's First Amendment
4 rights, and to retaliate against cross-complainant in said
5 litigation.

6 13. On March 25, 1994 Judge Gary W. Thomas issued an order
7 in Armstrong IV sustaining plaintiff's demurrer stating, inter
8 alia, "As to the first cause of action for declaratory relief,
9 cross complainant seeks a declaration of issues which will be
10 determined in the Los Angeles Superior Court actions
11 (enforceability of settlement contract) or in the underlying
12 complaint (ability of plaintiff to recover under the Uniform
13 Fraudulent Conveyance Act)."

14 14. On February 8, 1994, Scientology leader and cross-
15 defendant herein David Miscavige executed a declaration which
16 concerned Armstrong and which was filed in the case of Scientology
17 v. Fishman & Geertz, United States District Court for the Central
18 District of California Case No. CV 91-6425 HLH(Tx). In said
19 declaration Miscavige falsely accused Armstrong of various acts
20 relating to his experiences with Scientology prior to the 1986
21 settlement. On February 22 Armstrong executed a declaration for
22 filing in the Fishman case to correct the falsehoods in
23 Miscavige's declaration concerning his Scientology-related
24 experiences. Prior to responding to the Miscavige declaration
25 Armstrong had executed no declaration for use in the Fishman case.
26 Miscavige and Scientology filed the false declaration about
27 Armstrong in Fishman to goad and lure him into responding to
28 correct the record and then use his response as a vehicle to

1 accomplish its actual purposes of obstruction of justice,
2 suppression of evidence, assassination of Armstrong's reputation,
3 retaliation against him for exercising his rights, use of the
4 discovery process for gathering intelligence on its enemies, and
5 making an example of Armstrong so that knowledgeable witnesses who
6 had been betrayed in the settlement with the organization would
7 continue to be scared into silence.

8 15. Scientology bases all of its allegations relating to
9 fraudulent conveyances in Armstrong IV solely on the deposition
10 testimony of Armstrong and Walton in the Armstrong II litigation.
11 Yet there is not one word in that testimony to support
12 Scientology's allegations. Armstrong and Walton, on the other
13 hand, have provided from the beginning of the Armstrong IV
14 litigation overwhelming, detailed documentary proof of the non-
15 fraudulent nature of all of Armstrong's conveyances Scientology
16 claims it seeks in this action to set aside. Scientology has
17 through the discovery process in Armstrong IV obtained Armstrong's
18 and Walton's personal and detailed financial records. The
19 purposes for Scientology's use of the discovery process to obtain
20 such records in this case are to feed its intelligence gathering
21 apparatus, intimidation and retaliation. Faced as Scientology is
22 with the fact that all of Armstrong's conveyances were non-
23 fraudulent all of its acts in continuing to prosecute Armstrong IV
24 constitute an ongoing abuse of process.

25 16. Cross-complainant has suffered damage, loss and harm,
26 including but not limited to his reputation, his emotional
27 tranquillity, and privacy.

28 17. That said damage, loss and harm was the proximate and

1 legal result of the use of such legal process.

2 PRAYER

3 **WHEREFORE**, cross-complainant seeks relief as is hereinafter
4 pleaded.

5 ON THE FIRST CAUSE OF ACTION

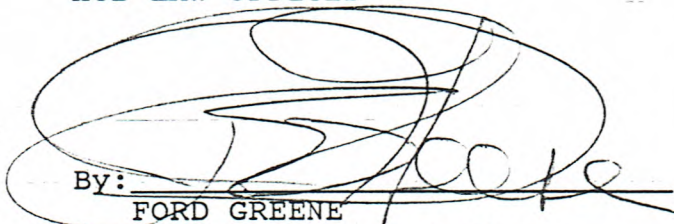
- 6 1. For general and compensatory damages according to proof.
7 2. For attorney's fees and costs of suit.
8 3. For such other and further relief as the Court may deem
9 just and proper.

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DATED: August 10, 1994

Respectfully submitted,

HUB LAW OFFICES

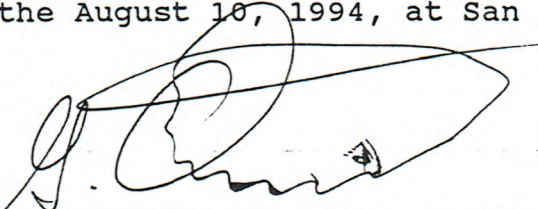
By: 
FORD GREENE
Attorney for Defendant

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VERIFICATION

I, the undersigned, am the cross-complainant in the above entitled action. I know the contents of the foregoing First Amended Cross-Complaint I certify that the same is true of my own knowledge, except as to the matters which are therein stated upon my information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct according to the laws of the State of California and that this declaration was executed on the August 10, 1994, at San Anselmo, California.

By: 
GERALD ARMSTRONG

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PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following

documents: THIRD VERIFIED AMENDED CROSS-COMPLAINT FOR ABUSE OF PROCESS

on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew Wilson, Esquire
WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104


LAURIE J. BARTILSON, ESQ.
Bowles & Moxon
6255 Sunset Boulevard
Suite 2000
Los Angeles, California 90028

MICHAEL WALTON
P.O. Box 751
San Anselmo, California 94960

(By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

(State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: August 10, 1994



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22 with the fact that all of Armstrong's conveyances were non-
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24 constitute an ongoing abuse of process.

25 16. Cross-complainant has suffered damage, loss and harm,
26 including but not limited to his reputation, his emotional
27 tranquillity, and privacy.

28 17. That said damage, loss and harm was the proximate and

1 legal result of the use of such legal process.

2 PRAYER

3 WHEREFORE, cross-complainant seeks relief as is hereinafter
4 pleaded.

5 ON THE FIRST CAUSE OF ACTION

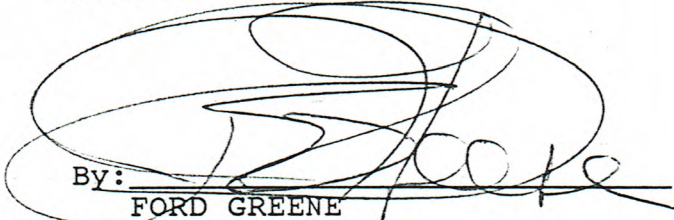
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Respectfully submitted,

DATED: August 10, 1994

HUB LAW OFFICES

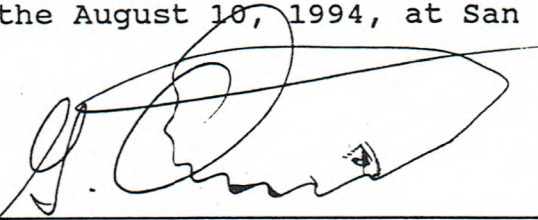
By: 
 FORD GREENE
 Attorney for Defendant

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VERIFICATION

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I declare under penalty of perjury that the foregoing is true and correct according to the laws of the State of California and that this declaration was executed on the August 10, 1994, at San Anselmo, California.

By: 
GERALD ARMSTRONG

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documents: THIRD VERIFIED AMENDED CROSS-COMPLAINT FOR ABUSE OF PROCESS

on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew Wilson, Esquire
WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

LAURIE J. BARTILSON, ESQ.
Bowles & Moxon
6255 Sunset Boulevard
Suite 2000
Los Angeles, California 90028

MICHAEL WALTON
P.O. Box 751
San Anselmo, California 94960

(By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

(State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: August 10, 1994

